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HOUSE BILL NO. 569
INTRODUCED BY S. KERNS

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING NONPROFIT CORPORATION OFFICER
COMPENSATION LAW; PROVIDING RULEMAKING AUTHORITY; AND AMENDING SECTION 35-2-425,
MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 35-2-425, MCA, is amended to read:

"35-2-425. Compensation of directors ~~-- compensation of officers -- rulemaking authority.~~ (1)

Unless the articles or bylaws provide otherwise,

the board of directors may fix the compensation of:

(a) directors; and

(b) officers of the nonprofit corporation. Officer compensation must be reasonable and not excessive.

(2) The department of revenue shall adopt administrative rules setting standards for the reasonable and not excessive compensation of officers of nonprofit corporations."

- END -